

Message Text

UNCLASSIFIED

PAGE 01 BONN 10820 301830Z

72

ACTION EUR-25

INFO OCT-01 ADP-00 AID-20 EB-11 NSC-10 RSC-01 CIEP-02

TRSE-00 SS-15 STR-08 OMB-01 CEA-02 L-03 H-03 AGR-20

CIAE-00 COME-00 FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12

LAB-06 SIL-01 DODE-00 PA-03 USIA-15 PRS-01 RSR-01

/180 W

----- 092079

R 301656Z JUL 73

FM AMEMBASSY BONN

TO SECSTATE WASHDC 6585

INFO USMISSION EC BRUSSELS

USMISSION OECD PARIS

UNCLAS BONN 10820

DEPARTMENT PASS TREASURY AND FEDERAL RESERVE

E.O. 11652:N/A

TAGS: EFIN, GW

SUBJECT: MONEY MARKET DEVELOPMENT IN THE FRG

REF: BONN 10449

1. THE GERMAN MONEY MARKET HAS EASED CONSIDERABLY SINCE JULY 26 WHEN CALL MONEY RATES APPROACHED 40 PERCENT. CALL MONEY RATES TODAY ARE 10-13 PERCENT, DOWN FROM 13-18 PERCENT ON JULY 27.

2. ON JULY 27, THE BUNDESBANK REPORTEDLY CHANNELED FUNDS INTO THE MONEY MARKET BY TRANSFERRING GOVERNMENT'S DEPOSITS OUT OF THE CENTRAL BANK SYSTEM. THIS MORNING, THE BUNDESBANK REDUCED FROM 15 TO 14 PERCENT THE INTEREST RATE AT WHICH IT REDISCOUNTS BILLS FROM BANKS THEIR QUOTAS FOR A PERIOD OF 10 DAYS (SEE BONN 10449).

3. SPOT DOLLARS PROFITED FROM THE EASING OF THE GERMAN CALL UNCLASSIFIED

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MONEY MARKET INCREASING FROM THE FIXING RATE OF DM 2.3032.)

JULY 27 TO TO-DAYS AT DM 2.3155.HILLENBRAND

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NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 30 JUL 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973BONN10820
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: BONN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t1973075/aaaaadks.tel
Line Count: 62
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 73 BONN 10449
Review Action: RELEASED, APPROVED
Review Authority: kellerpr
Review Comment: n/a
Review Content Flags:
Review Date: 24 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <24-Aug-2001 by cunninfx>; APPROVED <27-Aug-2001 by kellerpr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MONEY MARKET DEVELOPMENT IN THE FRG
TAGS: EFIN, GE
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005